

# NEWS RELEASE

**OFFICE OF THE UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF ILLINOIS**

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***For Immediate Release***

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***February 10, 2005***

Ronald J. Tenpas, United States Attorney for the Southern District of Illinois, announced today that on February 8, 2005, **WILLIAM DOUGLAS FRANKLIN**, age 51, and **MARTHA JEAN FRANKLIN**, age 47, of Thebes, Illinois were indicted by a Federal Grand Jury sitting in Benton, Illinois in an eight-count indictment charging both with bankruptcy fraud by filing a false and fraudulent bankruptcy petition with the intent to conceal assets, concealing assets, and thereafter testifying falsely under oath in the bankruptcy proceeding, in violation of Title 18, United States Code, Sections 152(1), 152(2), 152(3) and 981(a)(1)(C). The violations took place from February, 25, 1999 to March 31, 2000, in Franklin County, Illinois. An indictment is a formal charge against a defendant. Under the law, a defendant is presumed to be innocent of a charge until proven guilty beyond a reasonable doubt to the satisfaction of a jury.

Counts One through Seven each carry a penalty of up to 5 years' imprisonment, a fine of up to \$250,000.00, or both, and a term of 3 years supervised release. Count Eight is a criminal forfeiture charge which seeks to forfeit property.

The charges against the Franklins resulted from a collaborative effort among federal enforcement agencies to combat fraud and abuse in the bankruptcy system. Members of the Southern Illinois Bankruptcy Fraud Working Group include representatives of the United States Attorney's Office for the Southern District of Illinois; Office of the United States Trustee for Indiana and Southern and Central Illinois (Region 10); Federal Bureau of Investigation; Internal Revenue Service; United States Postal Inspector Service; Social Security Administration; and Health and Human Services, among others, including, in the instant case, the United States Department of Labor Office of Labor Racketeering.

United States Attorney Tenpas stated, "Fraud on the bankruptcy courts threatens to undermine access to the court of those truly in need of bankruptcy protection. It also can prevent creditors from vindicating their rights to repayment from those who are abusing the system. We are, therefore, strongly committed to seeing that where there is abuse, it is prosecuted to the fullest extent the law permits."

"Criminal bankruptcy fraud, such as filing a false bankruptcy petition and concealing assets from the Bankruptcy Court, threatens the integrity of the bankruptcy system as well as public confidence in that system," stated Nancy J. Gargula, United States Trustee for Indiana and Southern and Central Illinois (Region 10). "The Bankruptcy Fraud Working Group represents a united effort to combat fraud and abuse in the bankruptcy system. We very much appreciate United States Attorney Ronald Tenpas' leadership and commitment to this goal." The United States Trustee Program is the component of the Justice Department that protects the integrity of the bankruptcy system by overseeing case administration and litigating to enforce the bankruptcy laws.

The case is being prosecuted by Assistant United States Attorney, Robert L. Simpkins.